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TO

Security Information

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DATE: 30 October 1953

FROM

SUBJECT: The special problem of determining the eligibility of electronic items for placement on the U.S. Export Security List in light of the terms of reference of the IWG.

- 1. Terms of reference of the IWG. IWG/AM-8 Attachment No. 1, "IWG Operating Procedure", page one, states that the IWG was established to provide economic defense intelligence support to the Economic Defense Advisory Committee (EDAC) and the EDAC Structure. IWG/AM-8 Attachment No. 2, "IWG Administrative Procedure", page one, states that when the IWG determines that an intelligence study should be produced by IWG in response to a request from either an EDAC working group or agency, the Chairman of IWG shall assign responsibility, with the consent of the agency concerned, for its preparation; and that such assignment may be made to: (1) a subgroup of IWG; or (2) a member agency of IWG. However, it is further stated that the Chairman may, alternatively, refer the problem to the Executive Committee of EDAC, the EIC, or some other interesponsibility of IWG.
- 2. Method of determining the eligibility of electronic items for placement on the U.S. Export Security List. In order to determine the eligibility of an item for consideration for placement on the U.S. Export Security List that item must have certain attributes. These attributes are contained in ED/EC D 37, October 1953, "U.S. Export Security List, Attributes and Standards. The two attributes under which electronic items must be judged are quoted below:

"Materials and equipment by types and grades which are designed specially or used principally for the development, production or utilization of arms, ammunition, implements of war, and atomic energy materials, or

Materials and equipment by types and grades which incorporate advanced technology or unique technological know-how (including production know-how), having important direct or indirect military or atomic energy applications, the acquisition of which may reasonably be expected to permit a significant advance in Soviet Bloc technology over the level of development already achieved or expected to be achieved within a period of short duration."

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Determination of eligibility of electronic items under these two attributes demands the highest degree of technical competence. Equipment such as servo-mechanisms, electronic computers, magnetic recorders, infrared devices, etc are so highly specialized that only a select few in the Government understand them. Such technical evaluations do not appear to fall within the competence or responsibility of IWG, as outlined in paragraph 1 above.

3. In consideration of the prerogative of the Chairman of IWG to refer certain problems to the EIC as stated in paragraph one and since determination of eligibility of electronic items for restrictive control requires technical evaluations beyond the competence or responsibility of IWG, the logical group to properly evaluate these items is the EIC Sub Committee on Electronics.